

01409

1991/06/26

28

June 28, 1991

TOM
PC

P B.2

EAP
VS
BJ
EK

CONFIDENTIAL



FRANCE/TAIWAN/PRC: FRIGATES AND LOANS

France may soon proceed with a previously canceled sale of unarmed Lafayette-class frigates to Taiwan, according to press reports. The deal—worth about \$2 billion—reportedly would transfer six light frigates, the last two to be built in Taiwan. France and the PRC yesterday signed a \$370 million loan agreement to finance five major projects.

B.1.5

(CONFIDENTIAL)

Handwritten: H222 6.5/23/91

TS authority:	
() CLASSIFY as	() S or () C OR
() DOWNGRADE TS to	() S or () C OR

Exemptions: 61

This report was produced by the Bureau of Intelligence and Research. It was included in The Secretary's Morning Summary on the date indicated.

CONFIDENTIAL